



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

October 28, 2009

VIA ELECTRONIC AND U.S. MAIL

Shane Novak, Treasurer
Carl Romanelli for U.S. Senate
308 Spring Street
Hanover Township, PA 18706

RE: MUR 5783
Carl Romanelli for U.S. Senate

Dear Mr. Novak:

On October 20, 2009, the Federal Election Commission accepted the signed conciliation agreement submitted on your behalf in settlement of violations of 2 U.S.C. §§ 441a(a)(f) and 434(b)(2), (4) and 11 C.F.R. § 104.3(a), (b)(4), provisions of the Federal Election Campaign Act of 1971, as amended ("the Act"). Accordingly, the file has been closed in this matter.

Documents related to the case will be placed on the public record within 30 days. See Statement of Policy Regarding Disclosure of Closed Enforcement and Related Files, 68 Fed. Reg. 70,426 (Dec. 18, 2003). Information derived in connection with any conciliation attempt will not become public without the written consent of the respondent and the Commission. See 2 U.S.C. § 437g(a)(4)(B).

Enclosed you will find a copy of the fully executed conciliation agreement for your files. If you have any questions, please contact me at (202) 694-1650.

Sincerely,


Jin Lee
Attorney

Enclosure
Conciliation Agreement

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FEDERAL ELECTION
COMMISSION

BEFORE THE FEDERAL ELECTION COMMISSION SEP-2 PM 2:36

In the Matter of

Carl Romanelli for U.S. Senate and
Shane Novak, in his official capacity as Treasurer
Carl Romanelli

OFFICE OF GENERAL
COUNSEL

MJR 5783

CONCILIATION AGREEMENT

This matter was initiated by the Federal Election Commission ("Commission"), pursuant to information ascertained in the normal course of carrying out its supervisory responsibilities. The Commission found reason to believe that Carl Romanelli for U.S. Senate, and Shane Novak, in his official capacity as Treasurer, and Carl Romanelli (collectively "Respondents"), violated 2 U.S.C. §§ 434(b), 441a(f) of the Federal Election Campaign Act of 1971, as amended ("the Act"), and 11 C.F.R. §§ 104.3 and 110.9.

NOW, THEREFORE, the Commission and the Respondents, having participated in informal methods of conciliation, prior to a finding of probable cause to believe, do hereby agree as follows:

I. The Commission has jurisdiction over the Respondents and the subject matter of this proceeding, and this agreement has the effect of an agreement entered pursuant to 2 U.S.C. § 437g(a)(4)(A)(i).

II. Respondents enter voluntarily into this agreement with the Commission.

III. The pertinent facts in this matter are as follows:

Applicable Law

1. The Act defines a "contribution" as including "any gift, subscription, loan, advance, or deposit of money or anything of value made by any person for the purpose of influencing any election for Federal office." 2 U.S.C. § 431(8)(A)(i).

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2. The Act defines an "expenditure" as including a "purchase, payment, distribution, loan, advance, deposit or gift of money or anything of value, made by any person for the purpose of influencing any election for Federal Office." 2 U.S.C. § 431(9)(A)(i).
3. During the 2006 election cycle, the Act provided that no person could make contributions to any candidate and his authorized committees with respect to any election for Federal office, which in the aggregate, exceeded \$2,100. See 2 U.S.C. § 441a(a)(1)(A); 11 C.F.R. § 110.1(b).
4. Each treasurer of a political committee shall file periodic reports of the committee's receipts and disbursements with the Commission. See 2 U.S.C. § 434(a)(1). In the case of an authorized committee of a candidate for federal office, these reports shall include, *inter alia*, the amount of cash on hand at the beginning of the reporting period, see 2 U.S.C. § 434(b)(1); the total amounts of the committee's receipts for the election cycle, see 2 U.S.C. § 434(b)(2); and the total amounts of the committee's disbursements for the election cycle. See 2 U.S.C. § 434(b)(4).

Factual Background

5. Carl Romanelli for U.S. Senate ("Romanelli Committee") is the authorized committee of Carl Romanelli, who ran for the office of U.S. Senate in 2006 in Pennsylvania. The Romanelli Committee registered with the Commission as a federal political committee on May 31, 2006.
6. Shane Novak is the Treasurer of the Romanelli Committee as well as the Treasurer for the Green Party of Luzerne County, PA ("GPL").

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7. Carl Romanelli is also the Co-Chair of GPI..
8. In the spring of 2006, Romanelli began soliciting contributions on behalf of the Green Party of Luzerne County, PA ("GPL") to obtain ballot access for Pennsylvania Green Party candidates.
9. With the funds raised, GPI, and Romanelli hired JSM, Inc. to secure petitions so that Pennsylvania Green Party candidates could qualify for the ballot in the 2006 general election in Pennsylvania. GPL paid \$87,748 to JSM, Inc. for the petitioning services.
10. By paying for petitioning services that would assist Romanelli in qualifying for the Pennsylvania ballot, GPL made in-kind contributions of approximately \$11,000 to the Romanelli Committee.
11. The Romanelli Committee and Romanelli knowingly accepted excessive in-kind contributions totaling \$8,900.
12. In its first 2006 July Quarterly Report, filed July 18, 2006, the Romanelli Committee reported receiving \$66,000 in in-kind contributions from GPL.
13. In its Amended 2006 July Quarterly Report, filed August 25, 2006, the Romanelli Committee reported receiving an in-kind contribution from GPL in the amount of \$13,200. The Romanelli Committee erroneously noted that the purpose of the in-kind contribution was for coordinated party expenditures when GPL was not authorized to make such expenditures.
14. The Romanelli Committee contends that it made good faith attempts to comply with the statutory and regulatory requirements of the Act, and any violations resulted from a lack of understanding of such requirements and were inadvertent.

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IV. Respondents committed the following violations:

1. Respondents violated 2 U.S.C. § 441a(a)(f) and 11 C.F.R. § 110.9 by knowingly accepting excessive in-kind contributions.
2. The Romanelli Committee violated 2 U.S.C. § 434(b)(2), (4) and 11 C.F.R. § 104.3(a), (b)(4) by failing to accurately report the in-kind contributions that it received.

V. Respondents will cease and desist from violating 2 U.S.C. §§ 441a(f), 434(b) and 11 C.F.R. §§ 104.3, 110.9.

VI. *In ordinary circumstances, the Commission would seek a civil penalty based on the violations outlined in this agreement. However, the Commission is taking into account the fact that the Romanelli Committee has little cash on hand, and a limited ability to raise any additional funds. In addition, Respondent Carl Romanelli, through the submission of financial documentation to the Commission and additional representations, has demonstrated that financial hardship prevents him from paying the full civil penalty to the Commission. The Commission regards these submissions and representations as material representations. Due to the mitigating circumstances, which include Respondents' financial condition, the Commission agrees to depart from the civil penalty that the Commission would normally seek for the violations at issue, and the Commission agrees that no civil penalty will be due. If evidence is uncovered indicating Respondents' financial condition is not as stated, a total civil penalty of up to six thousand five hundred dollars (\$6,500) shall be immediately due, pursuant to 2 U.S.C. § 437g(a)(5)(A).*

VII. Respondents agree that the Committee's Treasurer or other personnel responsible for complying with the Act and Commission regulations, including the person who prepares its disclosure reports, will attend an appropriate Commission-sponsored training program for

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political committees within eighteen (18) months of the effective date of this agreement.

Respondents shall submit evidence of registration and attendance at such event to the Commission.

VIII. To the extent they have not already done so, Respondents will amend the FEC reports affected by the activities described herein.

IX. The Commission, on request of anyone filing a complaint under 2 U.S.C § 437g(a)(1) concerning the matters at issue herein or on its own motion, may review compliance with this agreement. If the Commission believes that this agreement or any requirement thereof has been violated, it may institute a civil action for relief in the United States District Court for the District of Columbia.

X. This agreement shall become effective as of the date that all parties hereto have executed same and the Commission has approved the entire agreement.

XI. Except as otherwise provided, Respondents shall have no more than 30 days from the date this agreement becomes effective to comply with and implement the requirements contained in this agreement and to so notify the Commission.

XII. This Conciliation Agreement constitutes the entire agreement between the parties on the matters raised herein, and no other statement, promise, or agreement, either written or oral, made by either party or by agents of either party, that is not contained in this written agreement shall be enforceable.

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FOR THE COMMISSION:


Thomasenia P. Duncan
General Counsel

BY:


Ann Mario Terzaken
Associate General Counsel
For Enforcement

10/27/09
Date

FOR THE RESPONDENTS:


Name: Shana Nock
Position: Treasurer
Carl Romanelli for U.S. Senate

08/21/2009
Date


Carl Romanelli

8-20-2009
Date

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